

# THE GREEN BOOK



BY MUAMMAR AL QADHAFI

## PART 1

The solution of the problem of Democracy

## PART 2

The solution of the Economic Problem

## PART 3

The Social Basis of the Third Universal Theory

In these three volumes the Libyan leader examines the economic, social and political problems confronting the world today, and presents a radical programme for their solution.

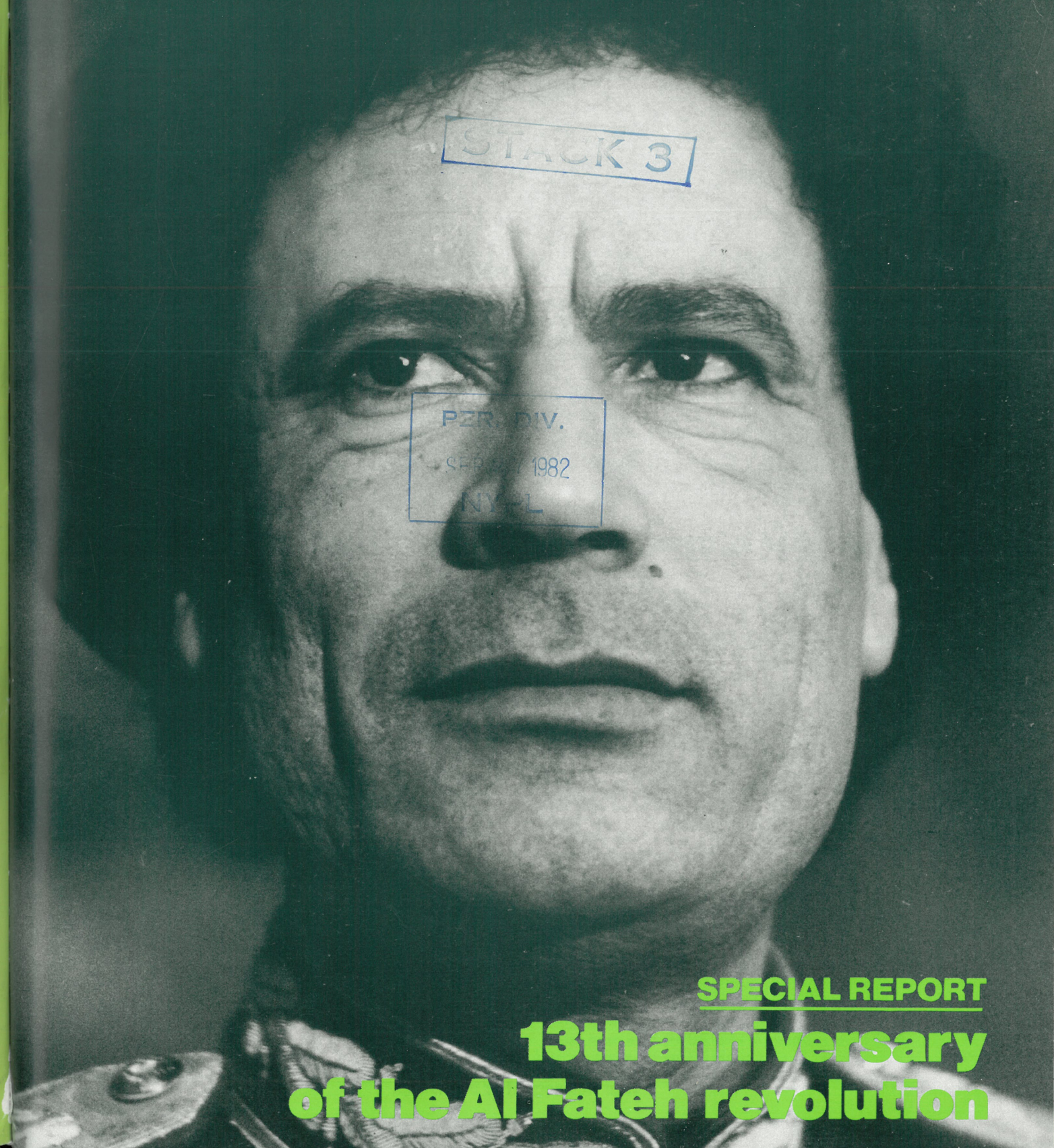
The Green Book provides a comprehensive review of the theories on which the Libyan Jamahiriya is based. The proposals put forward by Muammer al Qadhafi are not merely theories but an explanation and insight into the structure and priorities of modern Libya.

Copies of The Green Book can be obtained from The Information Department, The Libyan People's Bureau of the Socialist Libyan Arab Jamahiriya, 5 St James's Square, London SW1.

# jamahiriya review

August 1982

Libyan aid  
to the  
Third World



**SPECIAL REPORT**  
**13th anniversary**  
**of the Al Fateh revolution**





# jamahiriya review

No 27

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**SPECIAL REPORT:** The past year has seen the Libyan Jamahiriya respond to the American efforts to isolate and destabilise its fiercest Arab critic. With the Gulf of Sirte incident now a year past, Abdullah Kerim looks at how Tripoli launched its own offensive aimed at challenging Washington efforts to involve the European states against the Jamahiriya, while at the same time the Libyan leader Muammer Qadhafi set a new style to the Jamahiriya's unity schemes with other Arab states. On the eve of the thirteenth anniversary of the Al Fateh Revolution, it has been a year of some notable foreign affairs achievements. This report appears on pages 9 to 11.

**HELPING HAND:** Most Libyan Arabs can recall times of poverty and deprivation. It is not surprising therefore that the Jamahiriya should view the problems of the Third World with more than a dispassionate interest. Through Africa and the Third World, Libyan funds, directly and indirectly, are now being provided on terms far more generous than those from the developed nations, as Dr Alan George explains on page 12.

**LEBANON INVASION:** The Israeli invasion of Lebanon has many unusual characteristics, and none more so than the premeditated plan to raze the cities and towns of souther Lebanon to the ground. In his report on page 14, Robert Miller examines the scale of Israel's destruction and the effects on the Palestinian and Lebanese civilians.

**TRADE PARTNERS:** In the latest profile of British companies trading with the Libyan Jamahiriya, Peter Hellyer reports on the sale of scaffolding and shuttering for construction projects which have earned a Birmingham company some healthy export revenues over a fifteen year period. See page 16.

**PANORAMA NEWS:** The monthly review of Libyan, Arab and Third World news appears on pages 5 to 8, and includes a report on how Libya has responded to the Israeli invasion of Lebanon.

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**الزحف الاخضر**  
**The Green March**  
**AL-ZAHF AL-AKHHDAR**  
THE WEEKLY IDEOLOGICAL JOURNAL OF THE REVOLUTIONARY COMMITTEES  
THE WAY TO THE ERA OF THE MASSES

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## The message of the Revolution

ON THE 1st September the Libyan Jamahiriya will celebrate the 13th anniversary of the 1969 Al Fateh Revolution which transformed Libya from a satellite of the Western powers into a progressive, independent and non-aligned force.

At home, the country's revolutionary leader Muammer Qadhafi has overseen and guided Libya from poverty and underdevelopment into an age of the welfare state and to the threshold of an industrial era. Housing, schools and hospitals have been established and developed across this north African state reaching deep into the desert regions, and out to the remotest borders. Petro-chemical industries, refineries, steel and aluminium plants, and food processing and construction industry materials are all part of a development programme which aims to make the country self-sufficient in many areas of production, and to open up the prospect of Libya as an exporter of non-petroleum products.

At the same time, within Libya the political system has been transformed from representative democracy (which was often neither representative of the people, nor very democratic) to what is described as 'the era of the Jamahiriya'. To people in the West, the Libyan system might be better understood as a system of direct democracy or people's power through which every individual is provided, as a right, with a political structure in which every citizen, regardless of sex or social background, can influence the policies of the country.

It must be difficult for many people in the West to comprehend the achievements of the revolution in Libya which will give a special meaning to the celebrations on 1st September. Most people in the West have a much different picture of the Jamahiriya, and its revolutionary leader Muammer Qadhafi.

To understand why the Libyan Jamahiriya has been the target of an on-going propaganda campaign, over a period of years, one must appreciate how the Libyan revolution is perceived in Washington. To the government and the US multinationals, Qadhafi's message is a challenge to America's self-appointed global role. And if Libya should succeed and provide example to others, then Washington fears that other may follow the Jamahiriya's lead.

In the Arab region, Washington fears Libya's voice. The US would like to boost its military presence in the region, aware that its surrogate regimes will sooner or later face the revolutionary forces of their oppressed peoples, and that American imperialism will be pushed out of the area if a strong US presence is not there to protect unpopular regimes. One of the first achievements of the Libyan Revolution was the expulsion of British and American troops and the closure of their bases. It may have been a sad day for NATO and the Pentagon, it was a day of national celebration for the Libyan people.

Moreover, Libya called for the removal of all foreign military bases and fleets in the Mediterranean, and declared its steadfast rejection of any settlement with a Zionist settler regime on occupied Arab land in Palestine. If Palestine were to be liberated, and the Arab nation able to protect itself from Zionist aggressions, Qadhafi urged the Arab nation to unite around a single, committed, strategy. That strategy should embrace military, political and diplomatic efforts, but faced with an enemy in Tel Aviv which secured its position through force of arms, the Arabs must put their immediate attention to the military factor.

The Zionists' bloody assault on the Lebanon and their campaign of genocide against the Palestinian people is a crime against humanity which has shocked all decent men and women. Only a nation which has wreaked havoc in Vietnam, and South East Asia, and which provides support to despotic military juntas in a string of satellite countries of Latin America, could find itself able to support the Israeli actions in Lebanon.

But it should be recognised that the Zionist assault is not only against a brave Palestinian nation which for forty years has refused to submit to the Zionists, nor against their Lebanese allies in the streets of Beirut, Sidon, Tyre or Nabatiyeh. Like the victim of a ricochet bullet, the Zionist war in Lebanon leaves America's allies in the Arab homeland aware that they have been stripped of their right to speak for their people, let alone the Arab nation.

America's allies are the ones who have refused to mobilise any defence for the Arab homeland; they have left their people defenceless against American supplied fighter jets, cluster missiles and phosphorus bombs. Despite the never tiring efforts of the Libyan leader Muammer Qadhafi to secure a common and united Arab front against the Zionist menace, June 1982 saw the Arab nation unarmed and totally unprepared to fight on any front, whether it be military, political or economic. Some Arab rulers were so little concerned that they did not even change their holiday plans!

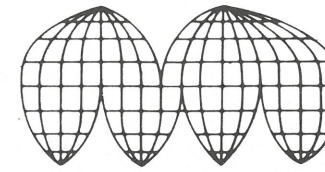
The Zionist invasion of Lebanon may have been a military defeat for the Arab nation (although the resistance of the Palestinian and Lebanese fighters, given the imbalance of military equipment between the two opposing forces, has denied Israel any claim of military victory), but it has also shown the correctness of the strategy long and repeatedly advocated by Muammer Qadhafi and Arab progressive forces.

Of course, the ideals of the Jamahiriya do not apply exclusively to the Arab nation. The rejection of big-power influence applies no less to the African continent, of which the Libyan Jamahiriya is also a part. Libya's record in Africa since 1969 includes support for movements of national liberation, and their victories in Angola, Mozambique, Zimbabwe, Guine Bissau, Cape Verde, and Sao Thome and Principe were victories for the principles of freedom and the right to self-determination which are central to the ideology of the Libyan revolution.

The Jamahiriya remains equally committed to the continuing South African and Namibian liberation struggles against the racist regime in Pretoria, and to self-determination for the Arab people of the former Spanish territory in the Western Sahara.

The message which Libya has for Africa is also centred on the need for unity and co-operation. Political and economic co-operation between African states, based on a firm rejection of external influence by former colonial powers and the Americans, offers the only way forward towards an Africa which is truly independent, and strong through economic development and co-operation between all African states. It is hardly surprising therefore that while the Zionists wage America's war against the Arab nation, other surrogate regimes in Africa have been subjected to pressures from Washington aimed at undermining African efforts to agree a programme of economic and political co-operation in the Tripoli summit in early August.

A monthly  
review of  
Libyan, Islamic  
and Third World  
affairs



**PANORAMA**  
news review

### Qadhafi: 'We want close ties with Europe'

IN THE past year, the Libyan Jamahiriya has established close ties with western Europe, despite US efforts to sabotage the development of closer relations by pressuring European governments to join Washington's economic blockade of Libya, and by persistently circulated unfounded allegations of Libyan involvement in 'international terrorism'.

In a July interview with the respected Italian daily *La Repubblica*, revolutionary leader Muammer Qadhafi reaffirmed his country's desire for continuing good relations with Europe, stressing that these should be based on mutual interests. It was essential, he said, for Europeans and Arabs to build better mutual understanding, and emphasised that this could be achieved only by direct, face-to-face, contacts, rather than via the mass media in Europe, which often gave a highly distorted version of the Arab nation and its aspirations. Such media distortion, he added, played into the hands of Washington and Israel. They feared and opposed closer Euro-Arab links because Europe's stand on the Palestine question was more in tune with realities.

The Libyan leader emphasised that the American boycott of Libyan oil meant that the Jamahiriya was alert to opportunities to sell its oil in other industrialised countries, but he added that Libya was at the same time anxious to restrict its oil output in order to prolong the life of its oil fields.

### BBC smear campaign

BBC TELEVISION has been sharply criticised for a *Panorama* programme broadcast on 26th July, which implicated the Libyan Jamahiriya in the destruction of an Italian civil airliner near Sicily two years ago. Despite the obvious lack of any evidence to support the claim, or of any imaginable motive for such an act by Libya, reporter Tom Mangold suggested that a Libyan fighter plane had shot down the airliner.



Muammer Qadhafi

Responding to the broadcast, the Libyan People's Bureau in London said in a letter to the Chairman of the BBC's Board of Governors: 'Let us assume for a moment that the allegation is true. Does the BBC seriously suggest, with all the sophisticated military equipment which the Americans and NATO must possess in that area, that it would take two years for the Americans, let alone the Italian government, to make known its evidence of a Libyan role in this affair?'

The Bureau affirmed its conviction that motives other than the innocent presentation of news lay behind the *Panorama* programme. Noting that the BBC had based much of its case on claims originating in US and NATO circles, the Bureau recalled that Washington has been engaged in a long standing campaign of disinformation designed to discredit the Jamahiriya, and aimed at undermining relations between the Libyan and American peoples, and between Tripoli and Western Europe. It further urged the BBC's management to ensure that its broadcasting services were not used by foreign intelligence agencies to harm the interests of

the United Kingdom. Both Britain and the Jamahiriya were committed to improving bilateral relations, but the BBC allegations were harmful to this effort.

### Libyan support for Palestinians and Lebanese

PALESTINIAN AND Lebanese resistance to the Zionist invasion of Lebanon has forced the Israelis into their longest-ever war, and as the conflict enters its third month there is no sign of Menachem Beigin's blitzkrieg having achieved any of its objectives. The morale of the fighters in beleaguered West Beirut remains high, while a wave of guerrilla operations is taking a heavy toll on occupation forces to the south.

Far from 'destroying the PLO', as Israel hoped, the invasion has thrust the basic issues of the Palestine question onto the centre-stage of international diplomacy. Increasingly, the world community is coming to understand that any solution of the conflict in Lebanon requires a comprehensive settlement of the whole

Palestinian-Zionist state, based on respect for the rights of the Palestinian people.

The Libyan Jamahiriya has been strongly supportive of the Palestinian and Lebanese resistance ever since Israel launched its ground forces across the border on 6th June, and has urged Arab and other countries to do all they can to stem the US-backed Zionist onslaught.

Libya's main proposal has been for Arab forces to be mobilised and urgently despatched to the front-line to relieve the Palestinian and Lebanese forces, and to confront the Zionist invaders. Tripoli's persistent efforts to secure an Arab summit of Heads of State have, however, been blocked by Saudi Arabia and its satellite regimes, while without the co-operation of the Lebanese and Syrian governments it has been impossible for Libya to act unilaterally. Repeatedly Libya's impatience at this absurd situation has been forcefully expressed.

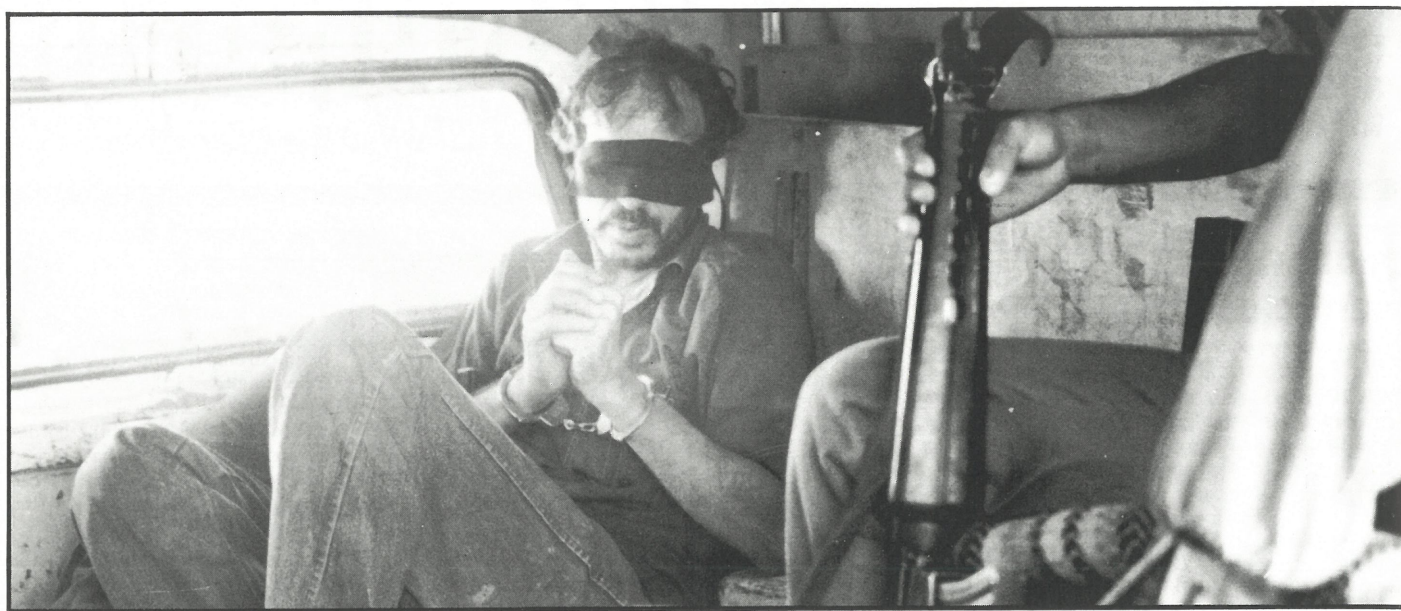
In July, revolutionary leader Muammer Qadhafi cabled the world's Heads of State, pointing out that the invasion had 'exposed the basic moral collapse of the Zionist doctrine, which is aimed at establishing a religious-racial empire over Palestinian and Arab lands'.

Placing responsibility for the invasion firmly at the feet of Washington, he said that the US had not only supported Israel diplomatically, after the start of the invasion, but had also been an active accomplice in its planning and execution. 'The American administration provided the aggressor with the latest products of destruction of the American war machine,' he declared, adding: 'It has defended the aggressor in international forums and endeavoured, through its mediator in the region, to capitalise on the circumstances and outcome of the invasion.'

The Libyan leader went on to warn of the dangers to international peace and security posed by the military and political alliance between the US and Israel. The Zionist state, he said, should be expelled from the UN, since 'any co-operation with the Zionist entity endangers internationally recognised principles and values, and is hostile to the Arab nation'.

He concluded by stressing the need for the Palestinians to have their own democratic and





Captured PLO fighter. Libya declares its support to Arafat.

independent state in their homeland, saying: 'The establishment of such a state is an urgent international demand, and a fundamental condition for a permanent and just peace in the area.'

The Tripoli-based Arab People's Congress, a coalition of progressive Arab nationalist groups from the region, has also moved in support of the Palestinian and Lebanese victims of the Zionist invasion. On 2nd July it concluded a two-day meeting in the Libyan capital by adopting a series of resolutions aimed at bolstering practical support for the resistance, and undermining US backing for the Zionists. The APC called for Iran and the 'patriotic Arab countries' to send military units to help counter the revolution, and agreed a series of measures to speed up the recruitment of volunteers, and to facilitate their movement to the front lines. It was further agreed to despatch a high-level delegation to Moscow, to urge the Soviet Union to act more firmly in support of the Arabs.

The APC called on the Arab nation to sever the flow of oil to the United States, and to withdraw its substantial dollar holdings from US banks. The APC also issued a call for the opening of all Arab fronts to enable liberation fighters to escalate their battle with the Zionists.

The APC concluded by stressing its complete confidence in a final Arab victory over the Zionist aggressors, saying that the battle would take the same course as the liberation struggles in Algeria, Vietnam and Iran.

While moving to secure greater Arab and international support for the Lebanese and Palestinian peoples, the Jamahiriya has remained in close contact with those in the front line of resistance. On 21st July Muammer

Qadhafi spoke by telephone to Palestinian leaders in besieged West Beirut, who stressed their determination to 'fight to the end'. The Jamahiriya News Agency JANA disclosed that the resistance leaders also 'ruled out the possibility of granting recognition to the Zionist enemy'.

In early July Staff Major Abdel Salam Jalloud paid a six-day visit to Syria, during which he held wide-ranging talks on the crisis with President Hafiz al Assad, Foreign Minister Abdul Halim Khaddam and Information Minister Ahmad Iskander Ahmad. Major Jalloud also held a series of meetings with Palestinian leaders in Damascus, and visited Syrian soldiers who had been wounded while resisting the Zionist aggressors.

## Soviet leaders get a letter

IT WAS reported on 1st August that the Libyan leader Muammer Qadhafi had sent 'an urgent letter' to the Soviet leaders concerning the situation in the Lebanon and the dangerous international crisis arising from the Israeli invasion and occupation.

Details of the letter were not disclosed by the *Jamahiriya News Agency*, but it follows Libya's earlier declared concern at the Soviet's failure to adopt a firm stand to deal with the American backed Israeli aggression.

Qadhafi made clear to the Soviet ambassador at the end of June that Tripoli could not accept the passive stance adopted by Moscow. The Libyan leader told the Soviet envoy, at a meeting attended by other eastern bloc ambassadors, that Arab relations with the USSR would 'burn like Beirut is burning'.

Libyan concern at the Soviet position has also been expressed at the grassroots level when on 9th July JANA reported that a meeting of the basic people's congress for al Awal, Benghazi Central area, had called for Moscow to clarify its position.

## Saudis rattled by criticism

A STATEMENT attributed to a 'Saudi Government spokesman' and broadcast on Riyadh radio on 31st July responded to Libyan charges that the Saudi regime is content with betraying Arab rights in Palestine. The Fahd regime has been accused in Tripoli of deliberately submitting to American plans against the Arab nation.

The Saudis rejected the Libyan declarations, claiming that the Fahd regime was moved only by 'patriotism' and 'truthfulness'.

Ironically, the following day in Jiddah, the Saudi Foreign Minister received the US ambassador, Richard William Murphy, and according to the Saudi Press Agency the two men discussed 'bilateral relations and the current developments in the Middle East'. Interviewed later by the SPA, Dr Muhammed Abdu Yamani, the Saudi Information Minister, voiced not a single word of criticism against US policy in the Middle East.

Meanwhile, in Tripoli, the political editor of JANA disputed the Saudi claim that the regime was motivated by patriotism to the Arab nation. The Libyan spokesman pointed out that it was the Saudis who had encouraged Sadat to accept the Camp David accords, and assisted the Iraqi regime to invade Iran which had diverted efforts from the assistance of the Arab struggle in Palestine.

'What has the Saudi family done to confront this invasion?' asked the JANA commentator, arguing that Saudi funds in US banks were being used to finance the Israeli war machine.

Back in Jiddah the Information Minister expressed hopes that the international community would 'prevent any serious consequences' of the Israeli invasion, apparently unaware that more than 15,000 Lebanese and Palestinians had already been killed and more than half a million more were homeless and in desperate need of shelter and food.

## Cheysson stresses the importance of Libya

THE GISCARD administration has been accused by the French Foreign Minister Claude Cheysson of harming Franco-Libyan relations. The present government, he said, attaches 'great importance to the Libyans'.

Speaking on 20th July to a meeting in Paris of the Third World Journalists Club, M Cheysson said it was essential to recognise that 'Libya is a sovereign country which chose its style of life and Muammer Qadhafi has an undisputed place in his country and among the Arab and African countries'.

He added, 'We attach great importance to the Libyans. They are our neighbours, and we have common interests in the Mediterranean, and we are trying to avoid any misunderstanding.'

The French Foreign Minister was speaking only a few weeks after his 1st June talks in Tripoli. Referring to that visit, M

Cheysson said it had been 'very important' and had provided the opportunity for both sides to deal 'with several current issues of mutual interest to both countries'.

In particular, France, like Britain and other EEC states, has made known its rejection of Washington's schemes to destabilise the Libyan Jamahiriya and to undermine its economy through imposing a trade boycott.

## Sanctions demanded by Non-Aligned Movement

THE NON-Aligned Movement has firmly condemned the Israeli invasion of Lebanon, reaffirmed its support for the just struggle of the Palestinian people, and called for the imposition of mandatory sanctions against the Zionist state, pending its compliance with UN resolutions on the Palestine question.

A two-day Extraordinary Meeting in Nicosia of the Non-Aligned Movement's Co-ordinating Bureau ended on 18th July by calling on the UN Security Council 'to apply, as a matter of urgency, comprehensive and mandatory sanctions against Israel, under the provisions of Chapter VII and particularly Article 41, of the UN Charter until Israel fully carries out the decisions and resolutions of the UN relevant to the question of Palestine'.

Noting that the invasion 'has been made possible by the massive, military, financial and political support given Israel, particularly by the United States', the Non-Aligned Bureau called on Washington 'to reconsider its policy, and to exert all efforts to ensure the prompt and unconditional withdrawal' of the invasion forces.

Describing the Zionist onslaught as 'one of the most ignominious pages in human history', the Bureau condemned the invasion as 'an affront to all non-aligned countries and the international community as a whole, since it violates, in a particularly brutal manner, the basic norms of international law, the purposes and principles of the United Nations Charter, as well as the fundamental values and norms of international conduct'.

The Non-Aligned Co-ordinating Bureau reaffirmed the Movement's 'total and unconditional support for the struggle of the Palestinian people under the leadership of the PLO', and stressed its 'solidarity with the neighbouring Arab countries in confronting Israel's expansionist and aggressive designs'. The convening of the Extraordinary

Meeting, the Bureau added, underlined the non-aligned countries' 'solidarity with the PLO, the suffering people of Palestine and the government and people of Lebanon'.

## Support for European peace movement

THE LIBYAN leader Muammer Qadhafi has reaffirmed his commitment to the principles of the European peace movement, and pledged his support for their efforts in demanding the withdrawal of American military bases from Western Europe, according to the West German newspaper *Tageszeitung*.

The paper reported that Qadhafi had held talks with leaders of the European peace movement in Tripoli, although there has been no confirmation of the meeting by official Libyan sources.

Nevertheless, the Libyan leader's support for disarmament groups has long been known. It stems from his commitment to non-alignment and his rejection of military forces being based on foreign territory. Following the 1969 Al Fateh Revolution, Libya successfully ordered the evacuation of British and American troops from the Jamahiriya. Tripoli has also called for an end to foreign fleets and military bases in the Mediterranean region.

During his visit to Vienna earlier this year, the Libyan leader held talks with peace movement leaders from West Germany, West Berlin, Italy and Austria. He welcomed the growing support which the movement has mobilised around Europe in recent years. 'We support you, we support the new peace movement,' said Qadhafi. 'We welcome this new direction in Europe.'



Peace campaigners march

## Tripoli-Peking ties strengthen

THE LATEST in a series of steps aimed at strengthening ties between China and Libya came in July, when revolutionary leader Muammer Qadhafi received Peking's Ambassador to Tripoli, and handed him what the Jamahiriya News Agency JANA called 'an important letter to the Chinese government and leadership'.

After a period of cool relations prompted by Chinese support for the Sadat regime, ties between Tripoli and Peking have been steadily improving. In June a visit by a delegation from China's Foreign Trade and Economy Committee ended with the conclusion of an agreement to expand trade ties.

Earlier, in May, Mr Hua Yong, a special envoy from the People's Republic of China, paid a visit to the Jamahiriya, during which he held talks with Abdesalam Jalloud and Foreign Liaison Secretary Abdel Ati al Ubeidi. Discussions centred on the development of closer bilateral relations, and Mr Yong affirmed that a strong Libya under Muammer Qadhafi's revolutionary leadership was in the interests of both the Libyan and Chinese peoples.

## Libyan voice for the world's handicapped

THE PROBLEMS and demands of the world's handicapped persons will be voiced in the international arena by a Libyan. In Vienna it has been announced that Mr Ali al-Sunni Muntaser has been elected chairman of the current session of the International Conference of the Handicapped

which opened in the Austrian capital on 4th July.

Since the 1969 Al Fateh Revolution, Libya has been increasingly identified as a champion of the world's disabled and handicapped citizens. Moved by the plight of the large number of Libyans who have themselves been maimed by landmines left on Libyan territory during the Second World War by the Axis and Allied forces, emphasis was given in the development of the Jamahiriya's health and welfare services to ensure that facilities for the handicapped were not pushed aside by other demands.

More than LD650 million has been earmarked in the current 1981-85 development plan for the Libyan health service, and this in turn will provide services and comfort for the 1,777 Libyans who have been severely injured by the accidental explosion of undetected landmines. Since 1960, 1,956 people have been killed by these devices, according to a recent commentary in *Al Zahf al Akhdar*, the Tripoli weekly of Libya's revolutionary committees.

JANA reported on 8th July that 500 bombs had been detonated by the Civil Defence Department of the Justice People's Committee in Khoms. These included various models of Italian, British and German bombs, while 400 of the devices had been discovered in a single abandoned store near the sea shore.

The Jamahiriya's concern for the disabled is well known. The recently staged United Nations International Year for the Disabled grew into a major worldwide campaign to focus attention on the special needs of the disabled following an initiative from the Libyan Jamahiriya and its endorsement by the United Nations.

## Ghana's envoy named

THE NEW Ghanaian ambassador to the Libyan Jamahiriya has been named as Colonel Jeff Asmah. The appointment marks the further development of relations between the two countries following the return of Flt Lt Jerry Rawlings to power in the west African state on New Year's Eve last.

The former regime of President Hilla Limann had overseen a period during which relations between Tripoli and Accra had deteriorated to the point where diplomatic ties had been broken. However the new administration in Accra made clear that although it planned to cut Ghana's diplomatic representation abroad, Libya would be an exception, along with Cuba.

Ghana faces pressing economic



problems, which Libya has attempted to alleviate with the supply of medical and food aid, along with oil for the country's industry. In May it was disclosed that Libya would be providing 60 per cent of Ghana's oil needs over the next half year. The cost was given at £54 million, with payments delayed for one year.

Now Accra has shown that the assistance flow need not be in one direction only. On 27th July Accra radio disclosed that 150 Ghanaians had been recruited to work in Libya's national petroleum company, including 12 technicians and engineers on a six month attachment, and 138 unskilled workers on a two year contract.

On 31st July ambassador designate Asmah held a meeting in Tripoli with members of the Ghanaian community in the Jamahiriya.

## Tunis-Tripoli plans for unity moves

AN ANNOUNCEMENT in Tripoli on 22nd July will anger the United States, although it will be welcomed by the advocates of Arab unity. According to the Jamahiriya News Agency, the first meeting between Libya's General People's Committee and the Tunisian Cabinet will be held next October in the Jamahiriya.

If the outcome of this meeting is successful, it will be seen by the Americans as a serious blow to their efforts in the region. These include plans to isolate and destabilise Libya under Muammer Qadhafi's leadership, and also to draw Tunisia into an American dominated alliance in north Africa.

The October session will be preceded by two meetings of the joint technical committee established between the neighbouring Arab states in the wake of Muammer Qadhafi's initiative earlier this year to heal the rift

between Tunis and Tripoli. His mission was to set the two countries on a path aimed at creating closer unity between Tunisia and Libya.

First with Algeria and now with Tunisia, the Jamahiriya is stressing that the concept of Arab unity held by the Libyan revolution rests firmly on the development of political and economic bilateral co-operation. Unity has to be a process which brings peoples of two countries together in decision making, rather than flag waving by political regimes and their leaders, according to the views expressed by Libya's revolutionary leader, Muammer Qadhafi.

The schedule for the meetings was agreed during a meeting in Tripoli on 19th July attended by the Foreign and Oil secretaries from Libya and the Foreign and National Economy ministers from Tunisia.

□ Also see report on relations between Libya and Democratic Yemen.

## Yemeni leaders seek co-operation

FOLLOWING THE pattern set with first Algeria and then Tunisia, Libya has agreed to a series of meetings with the political leadership in Democratic Yemen aimed at bolstering co-operation between Aden and Tripoli.

Details of the agreement for a joint meeting between the Yemeni Cabinet and Libya's General People's Committee on the one hand, and the General People's Congress and the Yemen Supreme People's Council on the other, were announced on 19th July.

The announcement followed a visit to Tripoli by a high-ranking Yemeni delegation headed by Abdul Ghani Abdul Qadir, a Member of the Political Bureau and Secretary of the Central

Committee of the Yemen Socialist Party and Salem Salih Muhammed, the Yemeni Foreign Minister.

The Yemeni team held talks with Libya's Foreign Secretary Abdul Ati al Abeidi aimed at strengthening and expanding bilateral co-operation between the two radical Arab states. Already Aden and Tripoli are joined in a tripartite strategic alliance with Ethiopia, aimed at countering the growing threat to independence in the Red Sea region posed by the United States. Moreover, Libya and Democratic Yemen are both members of the Steadfastness Front created to oppose Arab submission to Zionist occupation in Palestine and other Arab lands.

## Sixth fleet alert

WITH TENSIONS in the Mediterranean already heightened by the Israeli invasion of Lebanon and American warships moving into the area to support Washington's Zionist allies, Tripoli radio reported on 9th July that the US Sixth Fleet was expected to commence a 24 hour exercise 'in the flying zone of Tripoli'.

The Jamahiriya News Agency's political editor said the exercise was part of an on-going plan by the Americans with their Zionist and Saudi allies to destabilise the region. The aim was to humiliate the Arab peoples, and to take control of their 'land, spiritual, oil and water resources'.

There was, however, no reported confrontation between Libyan and American forces. *Newsweek*, which last year alerted the world to Washington's plans in the Gulf of Sirte on the very day two Libyan planes were shot down, said on 5th July that the Reagan administration had decided not to repeat the Gulf of Sirte manoeuvres this year. Washington claimed its decision was due to the situation in the eastern Mediterranean.

Originally Washington has said it planned to stage new manoeuvres in and over Libyan waters in the Gulf of Sirte this year regardless of the reactions from the Jamahiriya. Nevertheless, Tripoli made clear its intention to repel any invading or intruding forces by staging on 11th June joint air, land and sea manoeuvres with Libyan armed forces in the Gulf of Sirte.

## Ties strengthen with both Koreas

AS A non-aligned country, the Libyan Jamahiriya does not conduct its external affairs on the basis of countries' loyalties in the East-West conflict, a fact underlined by visits to Tripoli in June by important delegations from both North and South Korea.

On 6th June South Korean Minister of Construction Jo Chol Jun, heading a high-powered delegation, held talks with Libyan Heavy Industry Secretary Omar al Muntasser, Mr Al Bukhara Salim Houda, Secretary of Communications and Marine Transport, and Mr Muhammad al Manqush, Secretary of the People's Committee for Housing. The talks centred on strengthening bilateral co-operation, and particularly trade ties.

South Korean firms have become increasingly active in the Jamahiriya's development programme, and the two countries' relations have become close. In 1981 Tripoli and Seoul established full diplomatic relations, and in September last year Korean Airlines inaugurated a direct weekly service between the two capitals.

The Libyan Jamahiriya also maintains close ties with North Korea, and a high-level trade delegation left Pyongyang on 23rd June for a round of talks in Tripoli.

ON 1ST September, the Libyan Jamahiriya celebrates the 13th anniversary of the 1969 Al Fateh Revolution. Last year American schemes against Libya embraced military action in the Gulf of Sirte, and plans to confront the Jamahiriya economically and politically. On the eve of this year's anniversary, Abdullah Kerim provides this special report on how Libya has successfully challenged the Americans in a number of areas, and examines the Jamahiriya's approach to Arab unity and co-operation



US Army ships pose a threat to the Jamahiriya

## Jamahiriya breaks the wall of isolation

AT THE beginning of September, the Al Fateh Revolution in Libya completes its thirteenth year — a year in which the Libyan Jamahiriya has succeeded in defeating American attempts to intimidate, destabilise and isolate it, and has managed to strengthen its position both regionally and internationally.

When the twelfth anniversary of the Revolution was celebrated a year ago, the Jamahiriya had just been subjected to the most blatant provocation of a small non-aligned nation by the United States for many years — the 19th August Gulf of Sirte incident. Two Libyan planes were shot down by US fighters over Libyan territorial waters in the Gulf, as part of an American attempt to intimidate the Libyan people into abandoning their opposition to American policies in the Middle East.

The *International Herald Tribune* commented: 'It was an open secret in Washington, for example, that the Reagan administration was looking for ways to get

Colonel Qadhafi. The first big inter-departmental foreign policy study ordered was on how to neutralise Libya.' The paper also disclosed: 'Several reporters were told on background by responsible high level officials that various approaches were being explored, including a joint effort with Egypt and Israel, and that assassination would not be ruled out. The United States has asked other countries to condemn and isolate the Qadhafi regime.'

President Sadat of Egypt, self-appointed instrument of American policy in the Middle East, was not to last for long before falling victim to the wrath of the Egyptian people, but despite this, it was clear that the Jamahiriya was engaged in a serious conflict with the world's strongest super-power. It was, the Libyan leader stressed, not of Libya's choosing. 'We have tried all possible peaceful and cordial means to reach an understanding with the US administration,' he told a Tripoli rally a year ago. 'But we have

failed, because of America's megalomania, its deeply entrenched crusading spirit, and its historic hatred of Islam, the East and people who want their freedom.'

### Escalation

The Gulf of Sirte incident marked an escalation of American pressure against the Jamahiriya, and when it failed in its objective to destabilise and isolate the Libyan administration, new forms of pressure were set in train. One was designed to hit at the base of the country's economy. Strong hints from the US administration to American oil companies that they should pull out of the Jamahiriya failed to achieve their objective, so at the beginning of December, they were ordered to cease their involvement, the Reagan government hoping thereby to undermine the efficiency of the Jamahiriya's main foreign exchange earner.

Far from crippling the country's economy, however, the move backfired upon its instigators. Some oil companies refused



America... and the Arab protest statement





Libya's Qadhafi meets Austria's Kreisky

## Vienna breakthrough worries Washington

THE REAL breakthrough in the wall of isolation the United States has tried to create around the Jamahiriya came in March, with a surprise official visit by Muammer Qadhafi to Vienna, at the invitation of Austrian Chancellor Dr Bruno Kreisky.

The four-day visit, the first to Western Europe by the Libyan leader, was hailed as a success by both sides. Praising Kreisky as 'a respected figure in international circles, and someone whom I have found capable of understanding and defending truth,' Qadhafi told guests at an official banquet: 'I believe Austria can be a link of understanding with Western Europe.'

Dr Kreisky stressed his wish for further development of Libyan-Austrian relations, and told his audience, 'I wish to add here that our ties will not be restricted to the economic sector in future. We wish to strengthen our co-operation in political spheres as well.'

The visit was a clear success for the Jamahiriya's stated policy of preferring dialogue to confrontation. 'It proved that direct dialogue and meetings are the best method of solving international problems and establishing understanding which enhances world peace,' the Libyan leader declared on his return home.

to bow to the American pressure, while other OPEC member countries, such as Iran, offered their assistance, loaning or seconding personnel, with the result that the Jamahiriya's oil industry can now survive satisfactorily without any US expertise.

Eventually, in March, having failed to get their European allies to agree to a joint move, the US Administration announced a unilateral ban on the import of Libyan oil, and on the sale of technology to the Jamahiriya. Since American oil imports from Libya were a mere 150,000 barrels a day, however, this move was of little importance, and Libyan production has been rising rather than declining.

Parallel to attempts to destabilise the economy came the attempt to undermine the Jamahiriya's international position through the 'hit-squad' allegation. At the end of November, top American officials fed a gullible Washington media with the story that a Libyan-organised 'hit-squad' had entered the United States with the intention of trying to kill President Reagan. With Libyan denials being ignored, the story was blown up into a front-page item for several weeks, with new leaks continually appearing to keep it on the boil. US officials claimed that 'Carlos the Jackal' was leading the squad, and entering via

Mexico. When this story lost any semblance of credibility, it was then suggested that it had already entered the United States, flying on 'Concorde' with diplomatic passports issued by a leading sheikh in the United Arab Emirates. This drew an angry denial from the UAE, and an apology from the paper that printed the story. Eventually, at the beginning of January, with the story totally discredited by an increasingly suspicious media, the Federal Bureau of Investigation admitted that there had never been any evidence of such a hit squad trying to enter the United States. The deliberate distortion of the Jamahiriya's image, however, had been achieved — all part of the destabilisation campaign planned by the Reagan administration.

### Sceptical

This particular part of the campaign had been designed specifically to involve sceptical European countries, already worried by the Gulf of Sirte incident, in the anti-Libyan campaign. The Jamahiriya, however, made clear its desire for better relations with Western Europe. In an interview with British television in December, Brother Qadhafi stressed, 'There is a possibility to improve these

relations, if western Europe gets rid of the influence of America.'

First, several European governments rejected the American call for a boycott of the Jamahiriya in the aftermath of the 'hit-squad' allegation. In a Parliamentary debate, Lord Trefgarne, Under Secretary of State at the British Foreign and Commonwealth Office, stated, 'We do not believe the way to make our views known would be to boycott or isolate Libya.' Acknowledging the existence of disagreements and differences, he added, 'We may look forward to an improvement in Anglo-Libyan relations in future with reasonable hope and confidence.'

A West German Bundestag member, Jurgen Mollemann, a close associate of Foreign Minister Hans Dietrich Genscher, visited Tripoli for talks with Libyan officials at the turn of the year, while top French officials also visited the Jamahiriya, with a brief to improve, rather than to downgrade relations.

Brother Qadhafi's March visit to Austria (see box) was a highlight of the Jamahiriya's increasingly successful attempts to cement relations with Western Europe, and had immediate and concrete repercussions. During the visit, Austrian Chancellor Dr Kreisky had promised to help mediate on behalf of the Jamahiriya, and, as a result of this, the Libyan leader stopped over in Malta on his way home. In talks with Maltese Premier Dom Mintoff, and other top government officials, he was able to restore normal relations between the Jamahiriya and its closest Mediterranean neighbour. In another development, the Austrian Foreign Minister, Walter Pahr, was sent to Washington, to relay to the American administration the Jamahiriya's continued willingness to sit and discuss with the United States all issues of dispute. Pahr, and other European leaders, were visibly disappointed and angered at the American insistence that the Jamahiriya should abandon all support for liberation movements before the US would agree to meet with any Libyan officials. 'I don't think you can expect concessions before starting to talk,' Mr Pahr commented. 'It is a mistake to expect results before negotiations. Results are a consequence of negotiations.'

Since the Vienna visit, however, the Jamahiriya has continued to improve its relations with Western Europe, with visits being exchanged with top officials from Greece, France and Ireland for discussions on both political and economic issues.

The Reagan administration has maintained its hostility to the Jamahiriya, dismayed its European allies in April by announcing plans for new 'manoeuvres' in the Gulf of Sirte. Increasingly, however, the Western European states, including both neutrals like Austria and Malta, and NATO members like Greece and France, have improved their political and economic relations with Libya, breaking through the wall of isolation the Americans have tried to erect around her.

## Concrete steps towards Arab unity

CLOSE TO the heart of every Arab patriot is the desire for the restoration of Arab unity, to pave the way for a common political, economic and social development of all the Arab nation. The desire has underpinned much of the Libyan Jamahiriya's policy towards the rest of the Arab homeland in the thirteen years since the Al Fateh Revolution. Despite many setbacks, often caused by the interference of foreign powers, such as the United States, who are determined to prevent unity being achieved, the Jamahiriya and its revolutionary leader, Muammer Qadhafi, have retained the determination to continue with their efforts to pursue this elusive goal. Over the past year, concrete steps have been made to bring it nearer to realisation.

In his speech to the January meeting of the General People's Congress, Muammer Qadhafi spelt out the procedures through which a real and organic unity could be achieved between individual Arab states. In a reference to progress on the planned unity between the Jamahiriya and Syria, he said it was possible 'without the National Assembly in Syria being abrogated to become a people's congress, without legislative powers. The point is, when we meet, can we reach a common position?'

Qadhafi explained the over-riding long term objective must be the re-establishment of full Arab unity; it provided the only way to restore the nation's morale, and mobilise its strength against threats to independence from the United States and Israel. In the short term, this was impractical, but it remained the eventual goal. 'Not unity of rank, or unity at a summit conference, but constitutional unity, which creates one people out of two, and one country out of two,' was the long-term aim, he declared.

The Libyan leader told the Congress 'unity is not achieved by establishing federal structures', which had been responsible for the failure of earlier attempts at Arab unity. Instead, he proposed, 'people's and governmental institutions in the other countries [naming Syria and Algeria] could meet with the Libyan people's institutions, and adopt a common stance. This realises Arab unity'.

### Integrity

In visits to Algeria and Tunisia soon after the General People's Congress, Qadhafi took up the cause of unity, stressing to FLN party cadres in Algeria that unity had first to be forged on a people-to-people level. 'Political realities in both



Assad and Qadhafi's joint stand for Arab unity

our countries and other Arab states' should be recognised, he told the FLN cadres, although 'in reality these are only superficial matters'. He continued: 'The essential matters are the integrity of Arab soil, the Arab nation, their nation, its history, their beliefs, language and common fate.'

The Jamahiriya's 'revolutionary Libyan choices do not cancel out Algerian choices,' he said, or the Syrian model of 'a party practising nationalist ideology'.

The new framework for unity does not attempt to supersede regionalism, but takes it into account, he said, adding: 'It is therefore possible to establish political unity between Libya and Algeria, for example, without changing the political and administrative systems.'

He stressed, however, 'We are not calling for the immediate dissolution of borders, nor a revolutionary merger of both states.' His proposals were designed both to meet the possible objections of those who demanded that steps towards unity should be 'guaranteed, well-planned and reasonable', and of those who failed to take any initiative, claiming that if it failed, it would set back the cause.

### Concrete steps

Following Brother Qadhafi's visit to Algeria, and the warm reception offered to him by the Algerian Government and people, concrete steps were set in train to implement the provisional agreement reached on working towards unity. In April, the Algerian Council of Ministers, and its Libyan revolutionary equivalent, the General People's Committee, met in Algiers, and agreed to co-ordinate their overall socio-economic development planning. Involved in the decision was agreement on co-operation in industry, agriculture, hydrocarbons, foreign trade, and culture and education. A unified meeting of the Algerian National People's Council and the General People's Congress will be arranged soon.

Concrete proposals on joint action are to be submitted to future meetings, which are expected to rotate between the two capi-

tals, and will serve to link the Jamahiriya and Algeria at an organic level, as well as simply at the level of country-to-country ties.

The visit to Tunisia by Brother Qadhafi that followed his Algiers trip also led to the launching of a new era of co-operation between the two neighbours, following a period of coolness over the previous two years. Talks were held with top Tunisian Ministers, while a few weeks later, the Tunisian Minister of Transport and Communications visited Tripoli to sign a wide-ranging co-operation agreement that should help to link the two peoples more closely.

With concrete steps being taken towards increasing co-operation between the peoples of the Maghreb, the Jamahiriya has also pressed ahead with steps aimed at achieving eventual unity with Syria. Detailed discussions between officials of both countries have continued, and in April a General People's Congress delegation, headed by its Assistant Secretary, Ali Bilkhayr, visited Damascus for talks with a Baath party delegation headed by Tawfiq Salihah, a key party official. Methods of increasing the harmonisation of the countries' policies were discussed at the meeting, one of a series planned to smooth the path towards union.

In the past, attempts at securing unity have failed partly because of the differing institutions existing in each country, as Muammer Qadhafi pointed out in his major GPC address in January. By focusing on direct co-ordination between the people and their institutions, however, and taking into account the different circumstances in each country, progress can be achieved, as has been shown over the past year. With the Arab nation's enemies in the United States and Israel strengthening their own collaboration, while at the same time trying to drive deeper and deeper wedges between the various components of the Arab nation, progress towards unity has never been more urgent. The Jamahiriya, Algeria and Syria have together set a new example for other Arab patriots to follow.



## Helping hand to the Third World

**WESTERN AID to the Third World often comes with political and economic strings. The Jamahiriya's impressive aid programme is far more principled and, as Alan George explains, is aimed at promoting sustained economic and social advances, and greater political independence.**

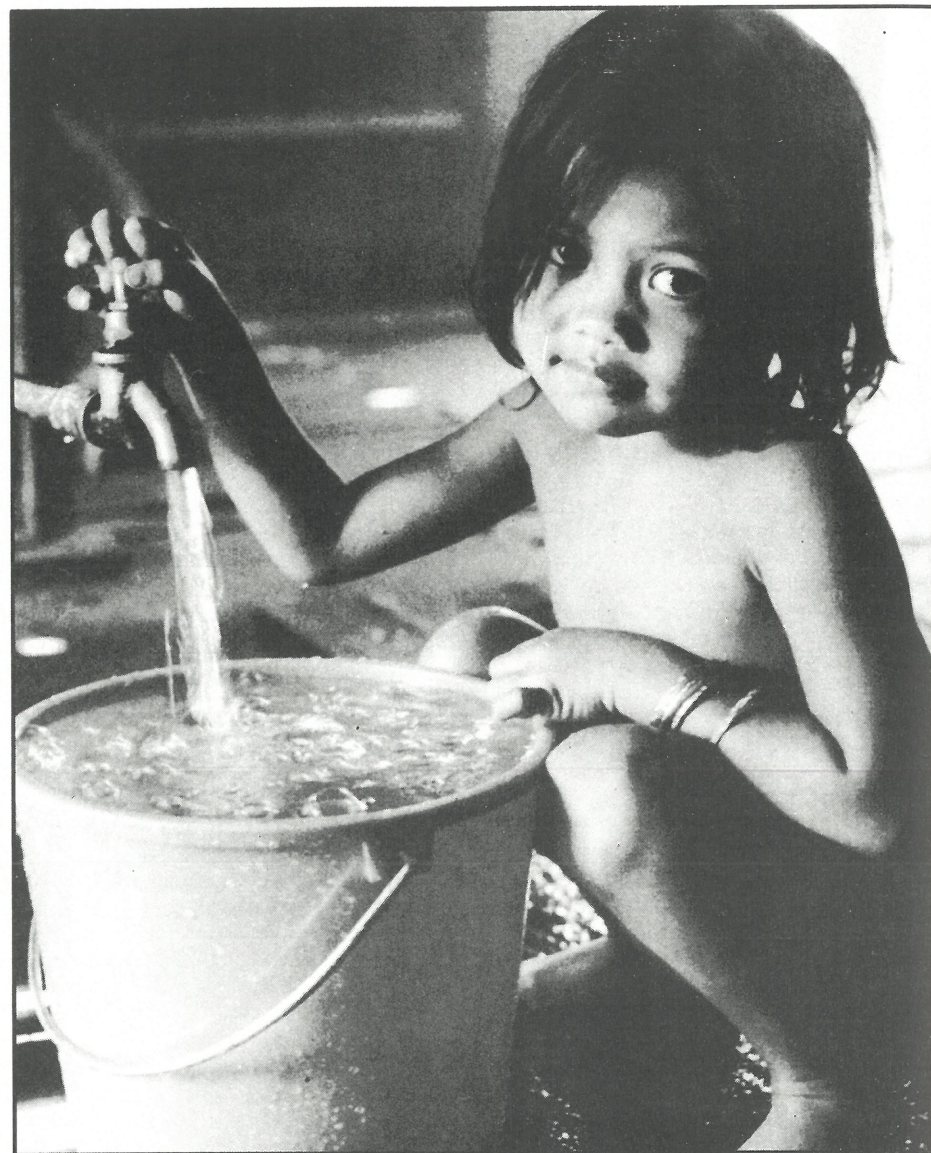
THE LIBYAN Jamahiriya, like other Arab oil producers, is a major aid donor to the developing nations of the Third World. Unlike much of the 'aid' offered by industrialised western states, however, Libya's development assistance is remarkably free of political or other 'strings'. When countries such as the US offer grants, there is often a stipulation that the money must be spent on goods manufactured by firms in the donor country. Libya's aid programme is more principled. Until the development of its oil industry in the 1960s, Libya was amongst the poorest countries in the world, with extremely dim prospects for economic advancement. Libyans remember all too well what it means to be caught in the poverty trap.

The Jamahiriya also understands that poverty cannot be eradicated simply by large cash injections. The bulk of Libya's aid, whether donated directly or through multinational aid agencies, is aimed at specific development schemes which will contribute to long term, sustained economic growth, leading in turn to greater political independence. This does not mean, however, that Libya is insensitive to emergency cash needs in the Third World. It has donated generously to help relief efforts following natural disasters, and to ease balance of payments crises.

### Multinational aid

Much of the Jamahiriya's aid is disbursed via funds and institutions set up jointly with other leading Arab and world oil producers. The major multinational Arab institution is the Arab Bank for Economic Development in Africa (BADEA), which over the past seven years has distributed aid totalling \$7 billion. In 1980 alone, the figure was \$1.5 billion.

The other multinational aid 'giant' is the OPEC Special Fund, and its impres-



Libya's aid to Third World is 'principled'

sive record was underlined in June by the Development Assistance Committee of the Paris-based Organisation for Economic Co-operation and Development (OECD). A special report showed that in 1981 alone, OPEC provided aid to the Third World totalling \$7 billion, accounting for well over two per cent of member states' combined gross national product.

The OECD report also highlighted the dismal aid performance of the industrialised countries. From \$75 billion in 1975, western aid fell to \$73.2 billion last year, and the donations of the seventeen countries covered by the report averaged out at a tiny 0.3 per cent of their GNP. The United States had a particularly poor record, its aid last year amounting to a trifling 0.27 per cent of its GNP.

Other major multilateral aid agencies to which Libya contributes generously include the Islamic Development Bank and the United Arab Emirates-Libyan Fund for African Development. Like BADEA and the OPEC Fund, these institutions provide 'soft' loans, carrying low interest rates and with generous repayment periods. Most are extended for major

infrastructural projects, such as road and dam schemes.

### Joint banks

Joint banks and development companies are major vehicles for the Jamahiriya's aid programme. In Africa, joint development banks have so far been set up with **Togo, Chad, Uganda, Niger and Mauritania**. The Libyan-Togolese bank, half of whose 10 million French Franc capital was put up by the Jamahiriya, typifies these institutions' financial structure.

In Latin America, Libya has acted in concert with a number of countries to set up a joint bank whose operations span the sub-continent. In 1977 banks and financial institutions from six countries — **Brazil, Argentina, Peru, Colombia, Venezuela and Chile** — joined with Arab and European banks to set up the Latin American-Arab Bank (Arlabank). Forty per cent of the \$100 million capital came from Latin American sources, twenty per cent was contributed by Arab and European banks, and the remaining forty per cent was shared between the Libyan Arab Foreign Bank, Kuwaiti foreign trade and investment companies and other Arab financial

institutions. Arlabank opened for business on 2nd October 1978, with its headquarters in the Peruvian capital Lima, and offers a full range of banking services. In June, for example, it was reported that negotiations were nearly complete for a \$300 million loan to the Peruvian Government.

Joint holding companies, with subsidiaries involved in a variety of industrial and agricultural schemes, have been set up in **Uganda** and **Burundi**, and there are plans for another in **Ghana**. The Libyan Arab-Ugandan Holding Company has a capital of \$50 million, and services five subsidiaries.

Jointly-funded development companies are a third tier of joint ventures. In **Guinea**, for example, there is a Libyan-Guinean Agricultural Corporation, a joint Maritime Fishing Company, and the Guinea-Arab Alumina Company, which is engaged in bauxite mining and alumina production, and in which Libya is one of six Arab shareholding countries. Libya and **Gabon** have set up a joint metal and timber company, and in **Benin** there are joint companies for animal breeding and fishing. Other African countries with whom the Jamahiriya has established joint development companies include **Rwanda, the Malagasy Republic, Togo, Ethiopia, Mozambique and Mauritania**.

Many of the African ventures are of some years' standing, and Libya is now moving to establish similar enterprises in Latin America. In August last year it was announced that a joint **Guyanese-Libyan** agricultural company, in which the Jamahiriya has a 49 per cent share, has started operations. In February this year agreement was reached on setting up a similar company with **Nicaragua**.

### Loans

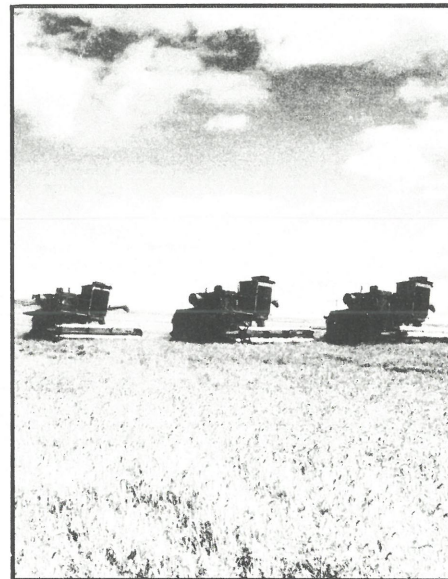
In common with other Arab aid donors, Libya also offers 'soft' loans for specific development projects in the Third World. One example is a \$50 million loan extended in 1978 to **Guinea**, to meet part of the construction costs of a dam and an alumina plant at Koukoure.

Direct grants to finance specific projects and to cover balance of payments difficulties are another way in which Libya helps developing countries. Last

## LAFB — Libya's aid channel

*THE AGENCY for the Jamahiriya's overseas aid programme is the Libyan Arab Foreign Bank (LAFB). Set up in 1972 as a branch of the Central Bank of Libya, LAFB's total assets last year stood at \$2.1 billion.*

*Until the formation last year of the Libyan Arab Foreign Investment Company (LAFIC), LAFB handled all the Jamahiriya's overseas aid and investment programmes. LAFIC, which has a capital of \$1.7 billion, now administers the country's direct, non-banking investments abroad, for example industrial and hotel ventures.*



Libya aids land development

year, for example, \$100 million was deposited with **Nicaragua's** Central Bank to help cover a balance of payments deficit. In the central African country of **Burundi**, the Jamahiriya is financing a road development programme, entailing the upgrading of three roads, totalling 324 kilometres, at a cost of \$128.8 million.

The Jamahiriya has also made direct grants in kind to developing countries. Last year Tripoli donated a French-built

Dassault-Breguet Mystere-Falcon 50 executive jet to the west African state of **Benin**. A Libyan statement said that the aircraft would 'improve the freedom of movement of Benin's leaders by letting them move rapidly wherever they may be required to defend the interests of African peoples, and particularly those of Benin'. In 1980 the Jamahiriya presented Bahrain with a helicopter, and the Indian Ocean island state of the **Seychelles** was given two Rallye light aircraft to assist with surveillance of fish stocks.

### Emergency aid

While the Jamahiriya stresses the importance of development aid being spent on productive schemes, it also responds generously to disaster relief appeals. Libya sent emergency supplies to **South Yemen** following this year's disastrous flooding there, and has agreed to finance the reconstruction of the country's vital coast road. Last October \$1 million was donated to the OAU's Refugee Fund. In 1980 \$10 million was earmarked to aid the victims of the earthquake that devastated the **Algerian** town of El Asnam. Libya has even extended disaster relief aid to western industrialised states. In December 1980 it was announced that the Jamahiriya was to give \$7 million to help the relief and reconstruction effort following **Italy's** worst earthquake disaster since 1915, in which at least 5,000 people died and 200,000 were made homeless.

The Jamahiriya is aware that real development entails much more than an increase in national income, and must cover all aspects of national life, including social welfare and culture. The Al Fateh Revolution's basis in Islam has led to an important aid programme involving Islamic cultural centres and missionary work. Such efforts naturally focus on countries with substantial Muslim communities. The joint UAE-Libyan Commission for Islamic Cultural Centres opened its latest facility in **Rwanda** in June last year, and another is under construction in the **Gambian** capital Bangui. Tenders have been invited for two new Islamic centres, in **Togo** and **Malaysia**. The focus of each centre is a mosque, and there are also schools, libraries, lecture halls and medical dispensaries.

## Economic support for Ghana

*LIBYA'S OVERSEAS aid programme has not been confined to loans and cash donations. In recent months, the Jamahiriya has been shipping supplies of food and cut-price oil to Ghana, where the Government of Jerry Rawlings is struggling to cope with the economic chaos left in the wake of the Hilla Limann regime, overthrown in the New Year's Day coup.*

*Reporting the arrival of the latest consignment of food aid, Accra radio said on 23rd June that it included*

*flour, sugar and rice, and had been distributed 'free of charge to institutions and hospitals throughout the country', including children's homes.*

*The radio noted that it was the third such gift from the Libyan people this year, and was 'yet another demonstration of the brotherly support and concern of Libya for Ghana'.*

*Two days later, Accra radio broadcast the terms of an agreement with the Jamahiriya providing for the supply of a total of 350,000 tonnes of oil at a rate*

*of 50,000 tonnes per month, and a price of \$35.4 per barrel.*

*Libya is providing the oil at its current commercial price, but it has agreed to an extended grace period for payment. Because of lower transport costs, it would normally be cheaper for Ghana to buy Nigerian oil, which sells at the same price as Libya's. The Jamahiriya, however, has agreed to a 350-day credit facility, while Nigeria offers only 90 days. Overall, Accra radio said, Ghana will make a long-term saving of \$9.78 million.*





Beirut: Zionist forces devastate civilian homes

## Israel's scorched earth tactics

'A TRUE scorched earth policy.' That is how Abu Jihad, Deputy Commander of Palestinian forces in Lebanon has described the Zionist offensive in Lebanon. In an interview with the French journal *Liberation* on 20th July he said: 'The Israeli army has destroyed everything in its path during its advance. Nothing has been spared: culture, civilisation, animals, social institutions, embassies and other buildings.'

Abu Jihad's assessment of the Israeli strategy has been confirmed by independent observers, including western journalists. Reporting from south Lebanon for the *New York Times* on 3rd July, David Shipler said: 'Since the guns fell silent in this region more than two weeks ago, the Israeli army has systematically destroyed many of the Palestinians' houses that survived the battles, increasing the number of homeless families, many of them with children.'

The Zionists claim that they have been demolishing 'terrorist bunkers', and that this has entailed the destruction of the homes above. In fact, the 'bunkers' are standard air raid shelters, for use by the civilian population.

In the *New York Times*, David Shipler described the fate of Aisha Massal, a Palestinian grandmother he spoke with at the Rashidiyeh camp near the coastal city of Tyre. She told him how she had taken refuge in the shelter beneath her home at the start of the Zionist blitzkrieg. After the battle for the camp had ended, she emerged, and was relieved to

**NOT CONTENT with the carnage and destruction they have wrought in air raids and artillery barrages, Zionist occupation forces are engaged in the systematic demolition of Palestinian homes in Lebanon. Robert Miller reviews this latest manifestation of Israeli terrorism, and the human suffering it is causing.**

find her home still standing. In response to Zionist orders, she and her family left the camp and waited in nearby orange groves. She took none of her possessions with her, because the Israelis had said nothing about further destruction.

'When she was allowed to return days later,' said Shipler, 'her house was a pile of twisted slabs and chunks; a corner of a refrigerator stuck out from beneath one huge concrete block, and a water heater lay bent beneath another.'

### Vietnam

With the Zionist invasion forces bogged down in Lebanon, with none of their overall objectives attained, parallels are already being drawn with the American experience in Vietnam. It is an analogy that David Shipler employs in the *New York Times*

when describing the destruction of Palestinian homes. Israeli army spokesmen, he said, refused to explain why the demolition of homes had been necessary, 'But it seems clear that the Israelis want to deny any future guerrillas the use of the shelters and the camps for military purposes, much as American troops in Vietnam obliterated villages to deny their use to the Vietcong.'

Shipler continued: 'The structures that still stand in the refugee camps, including houses and schools into which the homeless have crowded, have no electricity and no water. In the cities, which are more visible and are populated mostly by Lebanese, the Israeli Army has quickly moved to restore vital services, but there is no evidence that it has done anything similar for the Palestinian civilians who live in the camps.'

In an article in the *International Herald Tribune* on 20th July Shipler stressed the care that the Zionists have taken to conceal the extent of their malicious destruction. 'Demolition squads blew up shelters in the camps, destroying houses as well, and bulldozers knocked down rows of homes that had survived the battles. Since then, the Israeli Army has made extraordinary efforts to keep the destruction out of public view by refusing to take visitors to the camps and trying to keep journalists out.'

### Bad publicity

Shipler quoted an official in the Zionist foreign ministry's information department as saying that any officer who allowed reporters to inspect the devastation in the Palestinian refugee camps would be thrown into military prison. The official said that 'Israel had to be spared bad publicity'.

Shipler added, however, that apart from any military purpose served by demolishing the refugees' homes, 'Israel has been heavily influenced by a certain psychology that was also common in Vietnam, a difficulty in separating the fighters from the noncombatants who support them, or who are their wives and children.' Shipler cited a Zionist army officer as saying: 'They are all terrorists', when asked why bulldozers were knocking down houses in which women and children were living.

The human suffering caused by the indiscriminate destruction of homes and property has been highlighted by the United Nations Children's Fund (UNICEF). In July, the agency said that 910,000 Palestinian and Lebanese mothers and children had been made homeless, and that reconstruction in south Lebanon posed the major long-term relief challenge.

The agency warned: 'It is possible now to foresee acute needs in areas of family welfare and social service', and that the family as a unit of society had been 'seriously disrupted'. One of the UNICEF reports said: 'Families have been displaced, lost their homes, lost their possessions, and their sources of income generation. The effect on the physical and emotional well-being of the children is immense.'

UNITY COMMANDS wide support amongst the Arab people, but its appeal stems largely from the power of nostalgia. Arabs look back to their medieval Empire as a Golden Age, which saw unprecedented development in science and the arts, and when their military and political power was at its height. The dream is all the more potent when compared with today's harsh reality, when frictions between Arab countries saps their individual and collective strength, and renders them easy prey to expansionist superpowers and their local proxies.

Yet the problem with memories, whether individual or national, is that they are selective. The good times always seem brighter when seen through the veil of time. The pain of difficult times is blunted. Nostalgia is damaging in so far as it distorts.

In the seventh century the Arab armies swept out of the Peninsula and rapidly created an Empire where Islam and the Arabic language were the dominant unifying factors. To a degree, though, the unity was superficial. The Arab domains embraced peoples of many ethnic groups, with strong local loyalties and particular interests. In time — and it did not take very long — the early cohesion of the Arab Empire faltered.

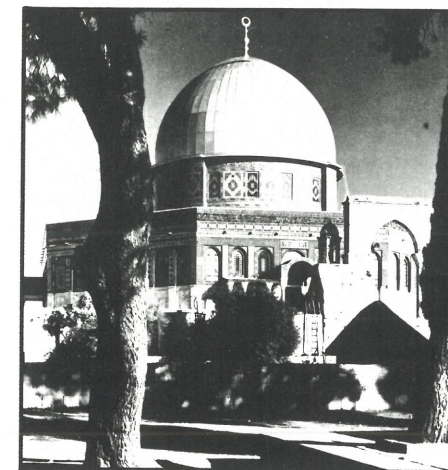
The initial Umayyid Caliphate, established in 661, had disintegrated by 750. Its demise was hastened by its nature as an Islamic country in which the conquering Peninsula Arabs ruled as a conscious elite. The subject peoples embraced Islam, which as a universal religion has never discriminated in favour of one ethnic group against another. But local identities pre-dating the conquest remained strong, and moves to de-Arabise Islam culminated in the establishment of the Abassid Caliphate in 750. The Abassids, because of their emphasis on Islam, rather than membership of an ethnic elite, as their source of legitimacy, had more success than the Umayyids in forging regional unity. Their Empire was far more cosmopolitan. Yet even they were unable to check for long the strong centrifugal forces at work in the region. After centuries of fragmentation, the Abassid Caliphate collapsed in 1258.

In its basic features, the history of the Umayyid and Abassid Caliphates has since disappeared. Periods of enforced unity have brought economic and military strength to the region. In turn, long-standing local or regional interests have reasserted themselves, leading to overall decline.

### Simplistic

Calls for Arab unity in modern politics have suffered on two counts. First, even when sincere, they have often been simplistic. The medieval Arab Empire is portrayed as a period of unqualified brilliance. The divisive tendencies that destroyed it, and which are still active, are simply overlooked. Arabs are invited to subscribe to a nostalgic and sentimental

## Strength through unity of purpose



Jerusalem

**THE CONCEPT of Arab unity has been widely misused, leading to the frustration of real progress towards solidarity between the Arabs. Dr Alan George reviews a new study, which argues that since 1967 the Arabs have adopted far more realistic policies.**

version of their history. They are encouraged to believe that centrifugal forces are not native to the region, but have simply been imposed, either by external powers or local regimes.

As well as being simplistic, this approach stifles free discussion of the real obstacles to closer relations between the Arabs. Those calling for serious consideration of local interests within the Arab homeland have been denounced too freely as mere agents of those working against closer collaboration between Arab countries.

An equally formidable problem with calls for Arab unity has been that regimes that are in fact intent on pursuing narrow interests, have invoked Arab unity in order to gain legitimacy. As Alan Taylor says in *The Arab Balance of Power*, 'It was already [in the 1950s] becoming the common practice of regimes which really wished to preserve the status quo to pay lip service to the idea of Arab unity. This not only gave them a more respectable image, but dismissed the likelihood of any change inasmuch as the very scope of pan-Arabism

put it beyond the possibility of implementation. That is to say, the extravagant rhetoric of pan-Arabism was a convenient and facile cover for the practice of the narrowest kinds of regionalism and sub-regionalism.'

Professor Taylor adds: 'This was also tragic in that it created a tradition of hypocrisy which became so standardised that it was virtually the only model of political behaviour for future generations.'

Taylor's review of Arab history since the Second World War centres on how the Arabs have gradually, if falteringly, been forced to confront the basic dilemma of how to collaborate, to their mutual benefit, while at the same time taking account of the genuine particular interests of individual regimes and countries.

### Watershed

He sees the 1967 war as a watershed in Arab relations. Until the war, unity was perceived in a literal and total sense. Unionists looked to the imminent establishment of a single, unitary Arab state stretching from the Atlantic to the Gulf. Preoccupied with this ambitious goal, however, the Arabs neglected less dramatic, but practical moves, towards cementing long-term relations.

The Arab defeat in 1967 confronted the Arabs as never before with the devastating consequences of their divisiveness. The goal of 'instant unity' was gradually dropped in favour of a more pragmatic approach, emphasising Arab co-existence and aimed at the adoption of common stands on issues affecting the whole region. It is a trend, Taylor argues, that has not been fundamentally reversed even by Sadat's conclusion of the Camp David accords, which sacrificed overall Arab interests in favour of narrow Egyptian gains.

A book covering such a wide topic, and intended primarily as a concise introductory work for university students and interested laymen, inevitably can offer only a cursory overview, but deeper analysis of events would have been helpful. More serious, though, is that at times analysis appears to give way to prejudice. Current Saudi policy, he says, is 'to minimise divisions in the Arab system, while protecting themselves from disruptive forces in their own country and throughout the Middle East'. Doubtless all Arab regimes would claim that this applied equally to them. The Soviet Union — but not the US — is engaged in 'machinations' in the region, says Taylor.

His overall conclusion is nevertheless sound: 'The fundamental problem [in the region] is the difficulty established governments have in subordinating their own prerogatives to broader Arab interests. But in the final analysis, survival and viability rest on the evolution of co-ordinated policies.'

□ *The Arab Balance of Power*, Alan R Taylor, Syracuse University Press, Syracuse, New York, 1982. Price: £7.75 (paperback), £14.30 (hardback).



## Winning the battle for new homes

WHEN THE Free Unionist Officers, headed by Muammer Qadhafi, toppled the corrupt monarchy of Idris Sanoussi in September 1969, serious housing shortages were one of the major problems facing the Libyan people. The revolutionary authorities were — and still are — committed to rapid socio-economic development, and the provision of adequate accommodation was one of their top priorities. To underline his personal determination to solve the chronic housing problem, Muammer Qadhafi declared that his own parents would move from their shanty dwelling into a decent home only when all other Libyans had been given a similar opportunity.

In the year of the Al Fateh Revolution, there were an estimated 300,000 housing units in Libya — 65,000 less than the number of families. Many of the homes were sub-standard, and included more than 120,000 shacks. The rapid development of Libya's oil industry in the 1960s had prompted a vast migration of rural dwellers to the cities — particularly Tripoli and Benghazi. Many of the early job opportunities created by oil were in the towns, in enterprises servicing the oil companies.

The monarchy's neglect of the housing sector, however, meant that there were no homes to meet the needs of the migrants. Vast shanty towns of corrugated iron shacks quickly sprang up on the outskirts of the cities. In the six years preceding the Al Fateh Revolution, only 26,000 housing units were constructed in Libya — in both the public and private building sectors. By 1969 — ten years after the discovery of oil — there were a mere 2.88 housing units per thousand citizens.

### Lethargy

The lethargy of the monarchy in the

**SINCE THE 1969 Revolution, Libya has striven to make good the years of neglect of its housing sector by the monarchy. While thousands of new homes have been built, traditional ownership patterns have been transformed, and exploitative landlord-tenant relationships abolished, as James McAllerton explains.**

housing field is underlined by the paltry sums invested in housing and urban utilities in the annual development budgets in the pre-revolutionary period. In 1962, the figure was only LD 3.5 million, and outlays peaked in 1967 at only LD 42.1 million. In the 1962-69 period, average annual investment stood at a mere LD 20.7 million.

The determination of revolutionary Libya to provide its citizens with adequate housing soon became apparent in the expanded budgets for the construction sector. From a figure of LD 37.5 million in 1970, the annual outlay grew steadily to LD 170 million in 1977. In the first eight years of the Revolution, a total of LD 783.8 million was spent on housing — almost five times more than in the last eight years of the monarchy.

The same sharp contrast between the monarchy and the Revolution are apparent in the figures for dwellings constructed. In the first six years of the Revolution, 110,212 housing units were built — an average annual rate of construction five times greater than in the last six years of the monarchy. By 1978, 148,626 new

homes had been erected, half as many again as Libya's total housing stock in 1969. A major watershed in the country's housing development programme, meanwhile, came in 1976, when the last shanty dwelling was ceremoniously burned.

### Frenetic period

The replacement of the shanty towns with modern low-cost housing estates marked the end of a frenetic period of development aimed at making good the neglect of the pre-revolutionary regime. But the housing sector has not been allowed to stagnate. Libya's population is growing rapidly, at a rate of about four per cent per annum, creating an ever-expanding demand for new houses. At the same time, much of the older dwellings need replacement. In 1980 there were an estimated 49,000 sub-standard homes.

The continuing high priority attached to housing is evident in the objectives of the Jamahiriya's 1981-85 development plan, which allocates LD 1.7 billion to construction. The overall aim is to complete 59,952 homes that were under construction at the start of the plan, and in addition to build another 146,200 houses. While the Jamahiriya's Housing Secretariat has responsibility for homes built as part of industrial, agricultural, health and other similar projects, the recently established Real Estate Savings and Investment Bank grants direct 'soft' loans for house building to individual citizens and housing co-operatives.

The most striking sign of the importance of the housing sector in modern Libya is the country's monument to the Revolution. It is a vast housing project on the outskirts of Tripoli, providing accommodation for over 100,000 people — three per cent of the total Libyan population.

### The homes belong to the occupier

*REVOLUTIONARY LIBYA has not only sought an overall increase in the number of homes available for its citizens. Its commitment to socialism has brought a major redistribution of the country's wealth, which has extended to the housing sector. In March 1978 the General People's Congress — the Libyan legislature — issued Resolution Four, which abolished landlords at a stroke. The new legislation stipulated that all Libyan families had the right to own one — and only one — home.*

*Tenants became the owners of their homes, although they did not receive them as an outright gift. The former tenants had to take out mortgages, repaid in monthly installments cal-*

*culated on the basis of the size of their family incomes. Mortgage payments are nevertheless very low, usually totalling only one third of the former rent, and those with a family income of less than \$190 pay nothing. Houses, meanwhile, were deliberately undervalued for purchase by former tenants — often by as much as thirty or forty per cent.*

*Resolution Four also provided for the compensation of the former landlords, and certain categories of landlord were allowed to continue in business, for example, widows whose only source of income was rent from property. Other exceptions to the regulation restricting home ownership included families with at least one son aged over eighteen years.*

*Speaking on the September 1979 anniversary of the Al Fateh Revolution, Libyan leader Muammer Qadhafi hailed the principles of Libya's housing legislation. 'The house belongs to the occupier,' he declared, adding: 'There is no freedom for a man who lives in another's house, whether he pays rent or not.'*

*The Jamahiriya's home ownership structure is in keeping with Qadhafi's Green Book, which sets out the principles that guide the Revolution. 'Man's freedom is lacking if somebody else controls what he needs,' the book says. 'Need causes exploitation. The house is a basic need of both the individual and the family. Therefore it should not be owned by others.'*

**BIRMINGHAM-based Kwikform Ltd, suppliers of scaffolding and shuttering for construction work, recently announced a new contract in the Jamahiriya worth nearly half a million pounds. It is one of a series of important sub-contracting jobs won in Libya by this specialist manufacturer over the last fifteen years, as Peter Hellyer reports.**

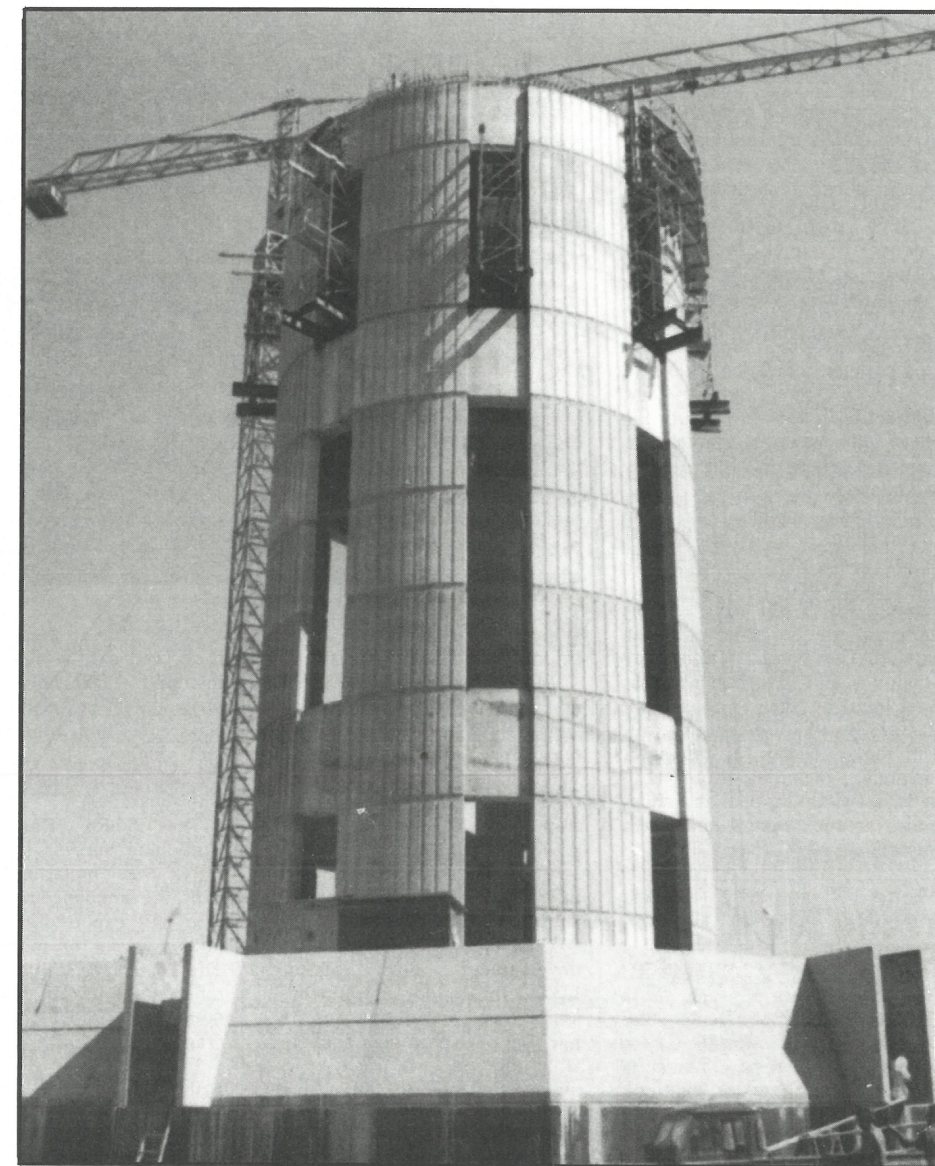
ONE OF the most prestigious awards that can be won by British companies is the prized Queen's Award for Export, which recognises substantial achievement in the promotion of British foreign trade. Among past winners of the award is the Birmingham-based Kwikform, who have won export orders throughout the world, including India, Egypt, Finland, Zambia, Hong Kong and Portugal, for their specialist scaffolding and formwork, essential parts of any major construction contract.

Since 1967, the company has also been involved in the Jamahiriya, its first contract coming for the supply of scaffolding to the Benghazi State Contracting Enterprise for support and access work during the construction of a sports centre. In the years since the Al Fateh Revolution in 1969, the company has played an increasingly valuable role in supplying its products for the Jamahiriya's rapid programme of development. Its standard Kwikstage scaffolding, designed to eliminate the use of loose fittings, and to be flexible enough for a variety of uses, is now used extensively by major contractors like the Gammon group throughout the country.

The recent order, worth £471,000, was won from the BTK International Contracting Consortium, against tough foreign competition, for the supply of scaffolding and Kwikstage decking for use on several of the consortium's housing contracts in the Jamahiriya. One of the most obvious achievements of the Libyan revolution has been in the field of public housing which was made a priority in the country's development plans in the early days of the Revolution.

One key to Kwikform's success in breaking into the Libyan market, and elsewhere around the world, has been the simplicity of its standard systems, for shuttering, decking, and scaffolding, for use above ground, and for below ground shoring of excavations. Requiring less skilled personnel to erect than many other systems, and also less time, it can lead to substantial savings for main contractors.

Also of importance, however, has been the company's ability to design equip-



Kwikform water tower complex at Tripoli

## Specialist frames for Libyan construction

ment for special application, such as formwork for the casting of concrete structures. In the Jamahiriya, one such contract was awarded by Kozanoglu Cavusoglu for work on a bridge on the Corniche Ring Road around Tripoli harbour, part of a massive Libyan investment aimed at improving transport facilities in the Libyan capital in the face of serious traffic congestion in the city centre. Kwikform first designed and manufactured a formwork shutter for the pre-casting of concrete thirty metre beams for the bridge. Once this was completed, the company also created a cantilevered travelling formwork shutter, to be used for casting the parapet, in situ.

Another specially designed mobile shutter was provided to Cypriot main contractor Joannou and Paraskevaides for the Tripoli-based Al Fateh University.

This shutter, three metres high, and equipped with a safe working platform, was used in the building of the main water tower for the ever-expanding university complex.

Kwikform is typical of many British companies now exporting to the Jamahiriya, as part of the £500 million flow of UK trade to Libya last year (a 70 per cent increase over the previous year). Winning jobs as sub-contractors, rather than as main contractors, they do not always attract the publicity that descends on others, but are performing crucial tasks in the country's massive development programme, while at the same time providing guaranteed employment to British industrial workers. Kwikform's 550-strong workforce, like those of many other companies, can derive much satisfaction from their company's success in the highly competitive Libyan market.



## British Caledonian to manage Tripoli Grand

TRIPOLI'S GRAND Hotel, opened in June, is to be managed by Caledonian Hotel Management (CHM), a Majorca-based affiliate of British Caledonian Airways (BCA), it was disclosed in July. The airline already operates popular scheduled flights to the Libyan capital, and the CHM contract is in line with the firm's policy of managing hotels in countries where BCA is already established.

The \$70 million, 357-room Grand Hotel — hailed as the best in the Jamahiriya — opened in time for this month's OAU summit, which will bring a major influx of visitors to the Libyan capital. The hotel, designed by London's WT Partnership Ltd, was built by the Swedish contractor Skanska Cementgjuteriet. The hotel boasts a range of facilities, including conference halls, a swimming pool and shopping arcade (see *Jamahiriya Review*, July 1982, page 17).

## Trade with Peking expands

FIGURES RELEASED by the London weekly *Middle East Economic Digest* on 25th June show a strong growth in trade ties between the Jamahiriya and China, although the level of exchanges remains modest. Chinese exports to Libya increased from \$70.5 million in 1978 to \$102 million in 1980, while the Jamahiriya's exports to the Asian country doubled over the same period, from \$1.8 million to \$3.6 million.

The two countries' trade links are expected to continue their strong growth in the coming years, following the signature in June of a bilateral economic co-operation agreement that signalled the end of a period of strained relations prompted by Peking's support for the Sadat regime.

## Training centres for farmers

PLANS HAVE been announced for the establishment of one agricultural training centre to serve each of the Jamahiriya's twenty-five municipalities. The Jamahiriya News Agency JANA disclosed on 5th July that the new centres will give guidance in both irrigated and dry-land farming, offering courses in such



Chinese market: trade with Libya expands

subjects as methods of fertilisation, pruning and harvesting.

JANA have also cited sources at the Agricultural Training Department of Libya's Secretariat for Agrarian Reform and Land Reclamation as saying that many graduates in agriculture from Libya's universities were now overseas gaining experience on field courses, and training as instructors for Libya's new agricultural training centres.

The Jamahiriya's 1981-85 development plan allocates LD 3.1 billion for investment in agriculture, accounting for 18.2 per cent of overall plan spending. Only the industrial sector, with outlays set at LD 3.9 billion, takes a higher priority. The planned agricultural training centres reflect the explicit emphasis that the development plan puts on the acquisition of technical skills by Libyans.

## Water supply orders for Britain

THE BRITISH firm Pullen Pumps has won two orders worth \$360,000 for projects on which South Korea's Daewoo Corporation is working in the Jamahiriya. The first is for pumps for water supply and fire fighting at Daewoo's administrative building in Tripoli. The other order is for pumps for water supply, irrigation and fire fighting for the Benghazi headquarters of Libya's Arabian Gulf Oil Company, which the South Korean firm is building.

Daewoo, which has been active in Libya's development programme for four years only, was by the beginning of this year working on more than thirty projects throughout the country. Last autumn the firm was awarded the biggest order ever placed with

a South Korean company, when it secured a \$1.8 billion contract to build 7,000 homes in Benghazi, 5,000 in Tripoli and 2,500 classrooms in a number of towns and villages. The Jamahiriya is the only Arab country with which Daewoo trades.

The South Korean firm's continuing success in the Jamahiriya was underlined in July with the announcement that the firm had exported to Libya \$11 million worth of mobile cranes. The delivery included 24 40-tonne rough terrain cranes and 12 40-tonne lattice-boom truck cranes.

In July it was disclosed that Britain's Sigmund Pulsometer Projects has a \$1.1 million order to supply and install pumping, mechanical and electrical plant in pumping stations in the drainage network under construction in the north east Libyan town of Tobruk. The order was placed by the main contractor for the scheme, an Italian joint venture of Impresit Costruzioni and Costruzione Riordino Esercizio Acquedotti (CREA). Consultant for the project is Britain's Howard Humphreys & Sons.

## Negotiations on new power plant

THE YUGOSLAVIAN concern Energoinvest is negotiating a supply contract relating to the planned 720 MW Melitta power and desalination plant, to be built at Zuwara, 120 kilometres west of Tripoli. The firm hopes to win orders for a wide range of equipment, including generators, boilers, substations and switchgear.

The Melitta power station is one of the largest planned or being built in the Jamahiriya. The desalination plant will have a cap-

acity of 40,000 cubic metres per day, and the station complex will include a 220 kV substation and about 300 homes. Five companies have been short-listed for the main construction contract, and seven firms have bid for a separate design and construction super-velocity contract.

Libya's installed power generation capacity has increased rapidly in recent years to 4,800 MW in 1980 compared with 879 MW five years earlier. The 1981-85 development plan projects a further sharp increase, to 3,970 MW by 1985. Productive capacity will rise from 4,800 to 9,400 MW by 1985. Productive capacity will rise from 4,800 to 9,400 megawatt-hours in the 1980-85 period. Many of the new power plants will, like Melitta, be linked with sea water desalination units, and the 1981-85 plan calls for an increase in the Jamahiriya's desalination capacity from 19 million cubic metres in 1980 to 28 million cubic metres in 1985.

## Libya 'beating the oil glut'

'LIBYA HAS pulled through the worst of the serious economic crisis which struck it late last year,' a despatch from the AFP news agency declared in June. The report, based on assessments by Libyan officials in Tripoli, added that Libyan oil production has risen sharply, but that measures adopted in January to counter falling oil revenues will stay in force until cash flow has fully recovered.

The Jamahiriya was hit badly by the world oil glut, engineered by Saudi Arabia at the behest of Washington. At the beginning of 1981 Libya's oil revenues were running at over \$22 billion per annum, and crude was priced at \$41 per barrel.

The glut forced down both output and price. By February this year, production had fallen to 500,000-600,000 barrels per day, and the price had dropped to \$35.4 per barrel. Libya's oil income had been cut by two-thirds.

In response, the Jamahiriya delayed a number of development projects, imposed selective import controls and cut the number of foreign workers in the country by thirty per cent. A special committee was set up in January to monitor the financial situation.

The AFP report, however, said: 'Libyan oil output climbed back in recent weeks to one million barrels per day, promising annual receipts of 10,000 million dollars. With this recovery of its oil revenue, and its considerable reserves, Libya can keep going in low gear for a long time.'

AFP noted that although the Jamahiriya had fallen behind with payments worldwide by about \$3 billion, it was now rapidly paying off its overseas debts.

## Success for LAFB

THE LIBYAN Arab Foreign Bank (LAFB), the Jamahiriya's agency for overseas investment, last year increased its balance sheet total by more than ten per cent, to \$2.1 billion, compared with \$1.9 billion in 1980, it was announced in June. Over the same period pre-tax profit rose by four per cent, to \$86 million. Capital and reserves at the end of 1981 stood at \$207.4 million.

LAFB was set up in 1972 as an arm of the Central Bank of Libya, and handled all the Jamahiriya's overseas aid and investment programmes until last year, when its non-banking operations, for example in hotels, were taken over by the newly-formed Libyan Arab Foreign Investment Company.

## Training for chemical workers

WHITE YOUNG Project Engineering of Britain has won an order for a process control simulator to train staff at the Abu Kammash chemicals complex, on the coast near the Tunisian frontier. The order was placed by the West German firm Kloeckner-Humboldt-Deutz (KHD), which manages the Abu Kammash works, and it follows a complete technical audit of the complex carried out in association with White Young Project Development on behalf of the Jamahiriya's General Company for Chemical Industries.

The Abu Kammash works,

built by West Germany's Salzgitter Industries, was opened in 1980 and has an annual capacity of 50,000 tonnes of plastics, 49,000 tonnes of caustic soda, 40,000 tonnes of table salt, 6,000 tonnes of liquid chlorine, 8,000 tonnes of hydrochloric acid and 8,090 tonnes of sodium hypochlorite solution. Built at a total cost of \$1.2 billion, the complex includes an adjacent housing estate, school, post office, market and mosque.

## \$30 million oilfield development scheme for Britain

THE BRITISH firm John Brown Offshore (JBO) has won a \$30 million contract to supervise the development of the Jamahiriya's offshore Bouri oilfield. The four-year contract was awarded by Agip (North Africa & the Middle East), a joint venture between Agip, a subsidiary of Italy's state energy agency Ente Nazionale Idrocarburi (ENI) and Libya's National Oil Corporation (LNO). The concession is operated under a production sharing agreement, with 19 per cent for Agip, and the rest for LNO.

The contract is the first in the Jamahiriya for JBO, which is a subsidiary of John Brown Engineers & Constructors. The firm will manage all stages of the oilfield's development, from design,

fabrication and hook-up to commissioning of an offshore drilling rig.

The Bouri field is the Jamahiriya's first offshore, and contains recoverable reserves estimated at 600-800 million barrels. The continuing world oil glut has put a question mark over the schedule for the field's development, although JBO has started preliminary studies.

## Brazil steps in where US fears to tread

THE JAMAHIRIYA has concluded an important agreement with Brazil, aimed at stepping up the exchange of technology, particularly in oil and mineral exploration. The agreement followed closely a decision by the US multinational oil firm Mobil to abandon its operations in Libya, and is seen as a reaffirmation by Tripoli of its determination to press ahead with its oil industry development programme regardless of obstacles raised by Washington and multinational companies.

The agreement, signed in June, provides for Braspetro, the overseas petroleum arm of the state-owned Petroleo Brasileiro (Petrobras), to increase its area of exploration in the Jamahiriya. Brazilian Mines and Energy Minister Cesar Cals says that the protocol also opened the way for Brazilian private-sector companies to supply oil industry equipment to Libya.

Braspetro already has a drilling rig in the Murzuk basin, in the south west of the Jamahiriya, and the firm plans to invest \$48 million during its five year contract to explore the 29,600 square kilometre area.

The agreement with Brazil followed an announcement by the Mobil Corporation that it would pull out of Libya by 13th July. The firm was involved in a joint production venture in which the Libyan National Oil Corporation (LNO) had a 51 per cent share, the West German firm Veba held 15 per cent, and Mobil 34 per cent.

Mobil claimed that its pull-out was prompted by low profits stemming from the recent fall in Libya's oil price to \$35.20 per barrel, but it is suspected that President Reagan's economic boycott of Libya, imposed in March, was a major factor. The White House has for some months been applying heavy pressure on US firms to pull out of the Jamahiriya, although prior to the Mobil decision, only the US-based Exxon multinational had succumbed.

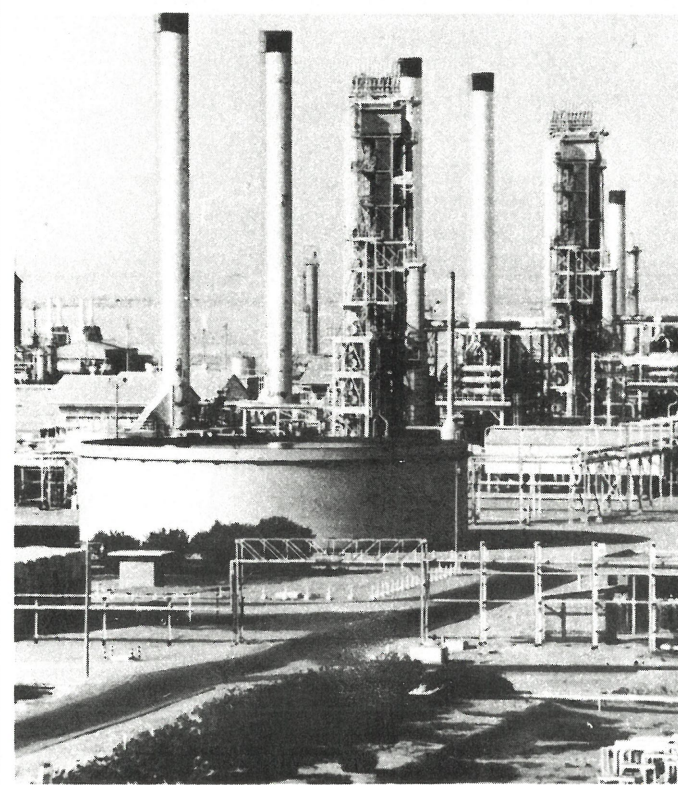
## Britain benefits from US pull-out

BRITAIN'S HUDSON Offshore Holdings, an important supplier of oil, gas and water equipment, has opened an office in the Libyan capital Tripoli, it was disclosed in late June. The company describes its main activities as 'project freight contracting, procurement and the drilling and technical services related to the oilfield, petrochemical and construction industries'.

Hudson Offshore Holdings has been involved in procurement contracts in the Jamahiriya for the past two years, but the decision to open a Tripoli office was prompted by the opportunities created by the departure from Libya of the two US oil multinationals Mobil and Exxon. Exxon quit the Jamahiriya last year, and Mobil wound up its Libyan operations in July. A Hudson Offshore spokesperson told *Middle East Economic Digest* on 24th June that the firm saw Libya as 'an expanding market', and added that the Americans' withdrawal 'has certainly left a big gap in the market'.

## Ferry repairs

THE JAMAHIRIYA'S 6,643 grt passenger/vehicle ferry *Toletela* has gone for repairs to the Hamburg service centre of West Germany's Maschinenfabrik Augsburg-Nuernberg (MAN), the London weekly *Fairplay* announced in July.



Oil contract to Britain



# THE GREEN BOOK



BY MUAMMAR AL QADHAFI

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Copies of The Green Book can be obtained from The Information Department, The Libyan People's Bureau of the Socialist Libyan Arab Jamahiriya, 5 St James's Square, London SW1.

STACK 3

# jamahiriya review

September 1982

## THE LIBYAN REVOLUTION

# Meeting the double challenge

UK-Libyan trade  
New African  
alliance

